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THE SILVER MARKET 1987

72nd Annual Review
compiled by
Handy & Harman

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Highlights of The Silver Market 1987

During 1987, world silver markets were characterized by growing speculative activity.

The average silver price for 1987 of $7.01 was 28% higher than the comparable amount of $5.47 for 1986.

Investors increased their silver bullion holdings by 13,000,000 ounces, compared to a liquidation of 8,100,000 ounces in 1986.

The price of silver increased from $5.43 on January 1, 1987 to $6.69 on December 31, 1987. This represents a 23.2% increase.

The 1987 silver price range was a low of $5.36 and a high of $10.20.

Consumption of silver for industrial uses in the United States decreased about 3% during 1987 to an estimated 115,300,000 ounces, compared to a revised figure of 118,900,000 ounces in 1986.

The use of silver for coinage in the United States increased 78% during 1987 to 13,200,000 ounces, compared to 7,400,000 ounces in 1986.

World consumption of silver during 1987 for industrial and coinage uses combined, excluding Communist-dominated areas, increased to an estimated 415,700,000 ounces, a 2% increase over our revised 1986 figure of 406,700,000 ounces.

Industrial consumption was approximately 384,600,000 ounces, up 1% from the previous year. Coinage consumption was 31,100,000 ounces, a substantial increase over the revised 1986 amount of 26,000,000.

World mine production of silver, excluding Communist-dominated areas, amounted to 333,900,000 ounces during 1987, a 4% increase over our revised 1986 figure of 321,600,000 ounces.

Supplies of silver from secondary sources increased 16% during 1987. The out-flow of silver from old scrap, demonetized coin, and India provided 89,200,000 ounces of silver to the market during 1987, compared to 77,100,000 ounces during 1986.

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Review of The Silver Market for 1987

During 1987, world silver markets were characterized by growing speculative activity, apparently caused by the depreciation of the U.S. dollar against major foreign currencies. The price of silver was $5.435 on January 1, 1987, compared to $6.695 on December 31, 1987. This represents a 23.2% increase during 1987 compared to a 6.5% drop in 1986. Not since 1983 has the New York spot market undergone such wide fluctuations. The 1987 silver price range between the low of $5.36 and the high of $10.20 was $4.84, compared to the 1986 range of $1.325. The table on page 26 sets forth a comparative record of high, low, and average silver prices for both the New York and London spot markets for the past ten years. During 1987, higher New York silver prices reflected the weakness of the U.S. dollar. The reason for this is that silver is widely quoted in U.S. dollars, and when the U.S. dollar depreciates in relation to other currencies, it takes more U.S. dollars to measure any commodity's real value. Silver prices increased 23.2% in U.S. dollar terms during the year, while prices expressed in other currencies showed little increase or a decrease. The following table reflects the relative change in the price of silver for 1987 expressed in terms of various currencies:

	Silver Price Per Ounce		Percent
	Jan. 1, 1987	Dec. 31, 1987	Change
U.S. Dollars	5.435	6.695	23.2
Swiss Francs ...	8.772	8.513	(3.0)
Deutsche Marks	10.454	10.672	2.1
Japanese Yen ...	860.361	811.769	(5.7)
British Pound ...	3.666	3.550	(3.2)

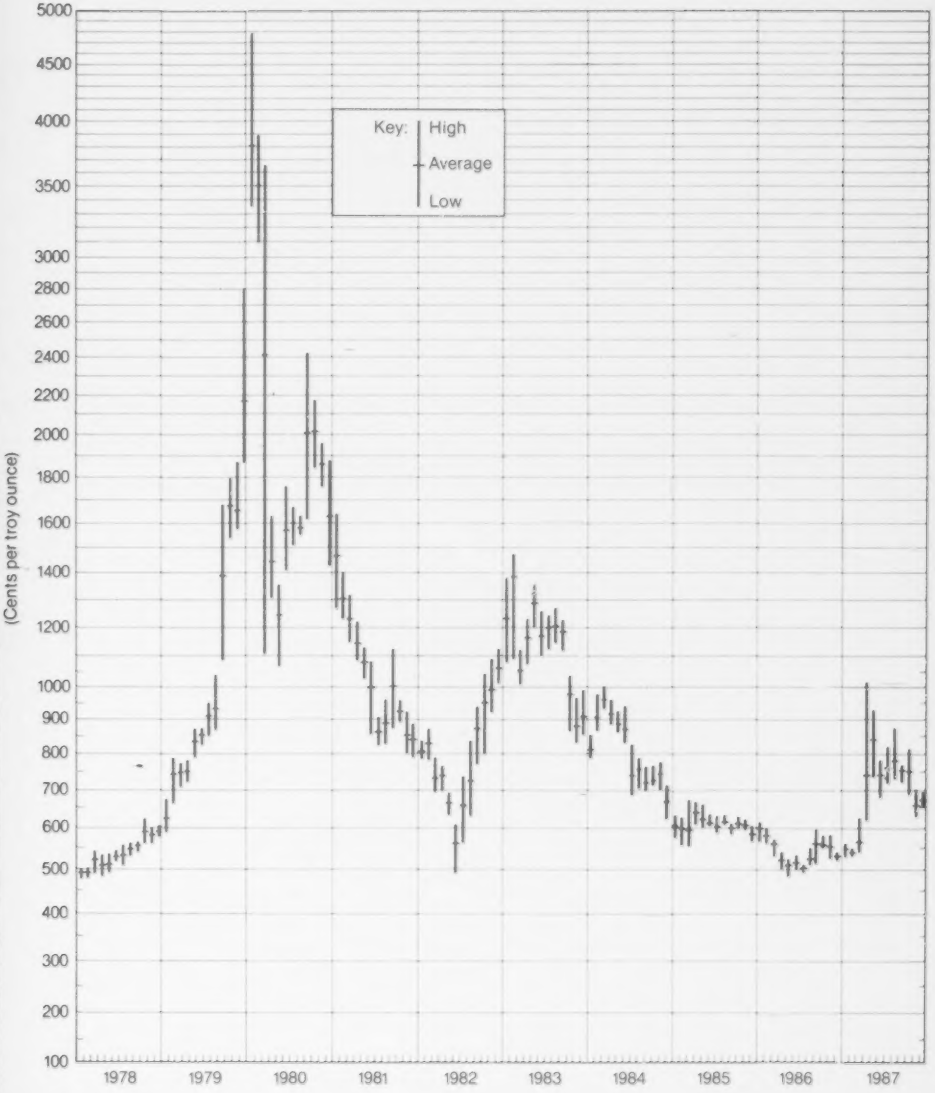
There have been few years in which the silver market has presented a more confused and unpredictable performance than the one just ended. Speculator and investment activity continued to dominate the market in 1987 as in prior years. The year opened with the market at $5.43 per troy ounce; on January 7, it was $5.36, which proved to be the low for the year. The price began increasing dramatically in late March and by April 27 it reached $10.20 per ounce, the high for the year. The price immediately weakened and dropped to $7.83 on April 30, a 23% decline in just three days. At this point, prices strengthened and rose to $9.37 by May 18, 1987. Prices fell once again, continuing to fluctuate erratically until June 25, when the New York price of silver was $6.84. At this point, the price of silver began another increase carrying it to $8.80 on August 4. Thereafter, the price fell once again to $6.36 on November 6 and then continued fluctuating in the $6.00 to $7.00 range for the balance of the year.

The reason for the volatility in silver prices during 1987 appears to be attributable more to speculator and investor reactions to gold prices, interest rates, and changes in the value of the U.S. dollar rather than the periodic shifts in the level of commercial demand. Certainly, increased demand for silver by industrial users, and the success of various silver coinage programs had their influence on the market. However, these fundamental changes would not appear to be conducive to higher prices since mine production increased and ample inventories were readily available to the market.

SILVER IN THE UNITED STATES

The New York Market: The most significant trading market for silver in the United States is the New York Commodity Exchange, generally referred to as COMEX. The daily New York silver price

New York Silver Prices Monthly Ranges



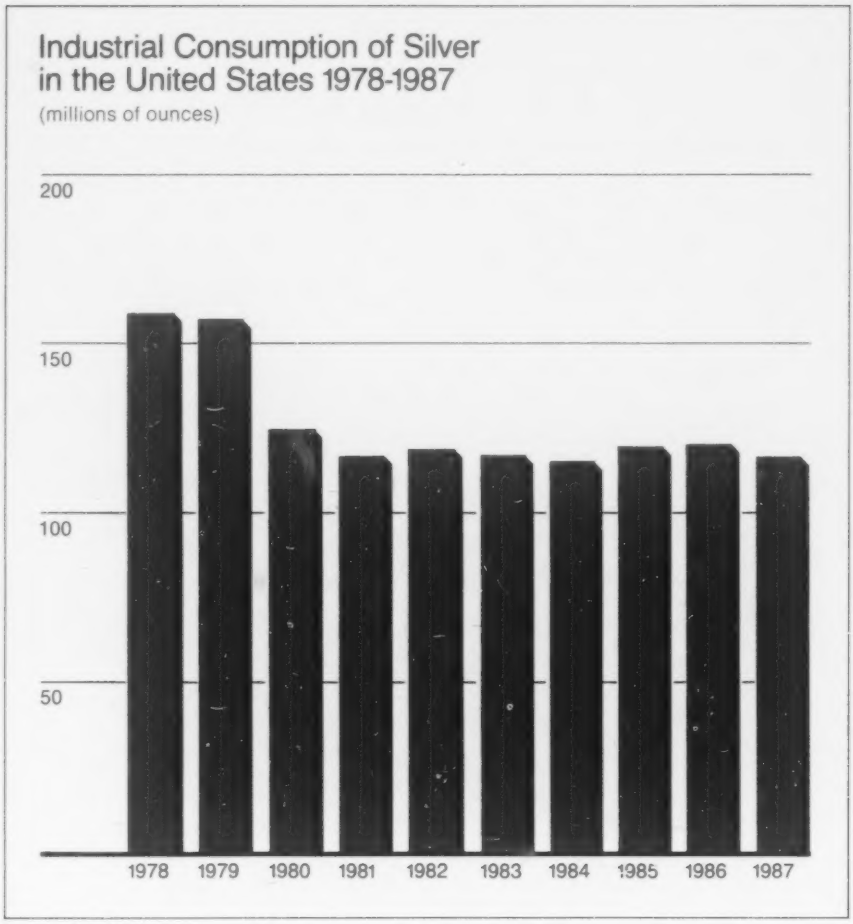
for prompt physical delivery as published by Handy & Harman, closely reflects the prices on COMEX for silver futures, because the principal suppliers to commercial users base their daily offers on the then current COMEX quotations. Unless otherwise specified, all references to the New York price refer to the Handy & Harman published price. The average silver price for 1987 of $7.01 was 28% higher than the comparable amount of $5.47 for 1986. The chart on page 7, shows monthly high, low and average prices of spot silver from 1978 through 1987 as published by Handy & Harman. This chart illustrates the volatile nature of the market over the past ten years.

Price Definition: The price referred to in the above market discussion is the New York Silver Price as published daily by Handy & Harman. The definition of this price is as follows:

> "The daily silver quotation reported by Handy & Harman, in cents and tenths of a cent per troy ounce, is the lowest at which offers can be obtained by Handy & Harman for silver in commercial bar form, in accordance with ASTM Designation: B413-69 Specification for Refined Silver, Grade 99.90 for nearby delivery at New York, in quantities sufficient to meet requirements."

The New York Commodity Exchange designates certain brands of silver which are acceptable as good delivery against contracts on the Exchange, but it does not require conformity to ASTM specifications. It requires only that such silver be no less than 99.9% pure without reference to impurities. The ASTM specification sets maximum limits on impurities, and this is very important for commercial users. Therefore, the price published by Handy & Harman is somewhat different than comparable quotations on COMEX.

Silver Futures: Trading in silver futures on the New York Commodity Exchange increased 31% during 1987. A total of



5,055,652 contracts of 5,000 ounces each were traded, amounting to 25.3 billion ounces of silver, compared to 19.2 billion ounces traded in 1986. Open interest at year-end amounted to 74,233 contracts, down 17% from 89,822 at the beginning of the year. Stocks in COMEX licensed vaults at the end of 1987 amounted to 156,271,000 ounces, a 7.5% increase from the 145,358,000 ounces at the end of 1986. Stocks in approved CBT

vaults at year-end amounted to 13,460,000 ounces, down 19% from the 16,709,000 ounces at the end of 1986.

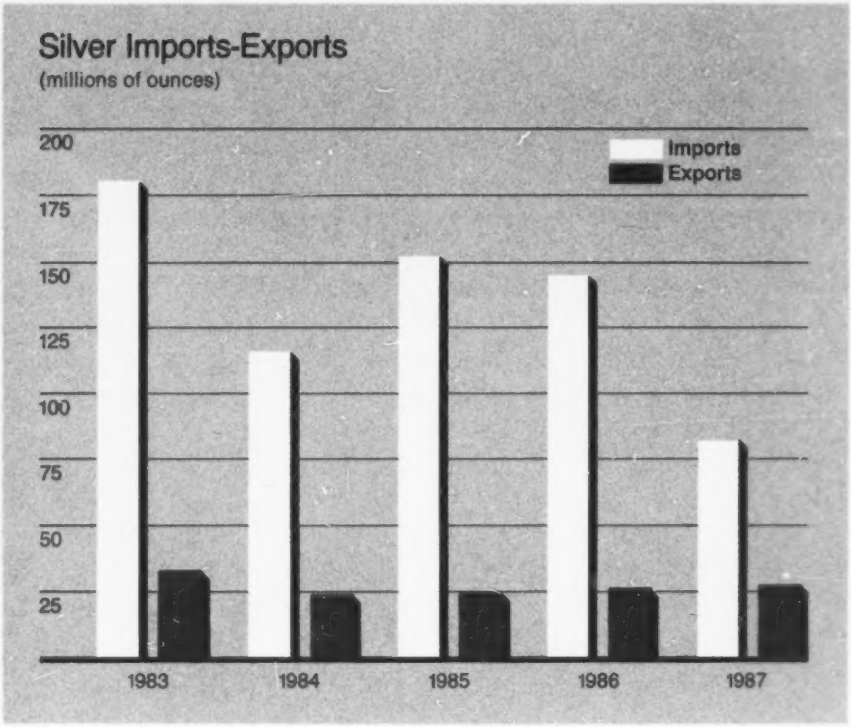
Industrial Consumption: Consumption of silver for industrial uses in the United States decreased 3% during 1987 to an estimated 115,300,000 ounces, compared to 118,900,000 ounces in 1986. A five-year summary of consumption by end-use appears on page 11 in the statistical tables.

All major categories were down from 1986 except the "Photographic" category, which showed an increase of 4,700,000 ounces, and "Catalysts," which increased by 200,000 ounces. These increases were offset by a decline of 8,500,000 ounces in other categories, principally, "Contacts and Conductors" category which declined 4,700,000 ounces, and "Batteries" which dropped 1,200,000 ounces.

Production: Domestic mines in the United States produced 37,300,000 ounces of silver in 1987, a 9% increase over the 34,200,000 ounces for 1986. In addition, 25,300,000 ounces of silver were recovered from old scrap during 1987, which represents a 2,200,000 ounce increase over the 1986 amount.

Imports and Exports: Total imports of silver into the United States during 1987 amounted to approximately 81,800,000 ounces in 1987, compared to 144,900,000 ounces in 1986, a 43.5% decline. Imports from Canada dropped rather sharply to 20,600,000 ounces in 1987 from 46,900,000 ounces in 1986. Imports from Mexico also declined to 42,500,000 ounces in 1987, compared to 48,000,000 ounces the previous year. Other significant sources during 1987 were Peru 7,200,000 ounces, and Chile 4,000,000 ounces. All other countries supplied 7,500,000 ounces in 1987.

Exports during 1987 amounted to an estimated 27,100,000 ounces, a slight increase from the 25,100,000 ounces in 1986.



Shipments to Canada during 1987 totaled 3,300,000 ounces; about 5,600,000 ounces were shipped to Japan; 7,700,000 ounces to the United Kingdom; and 10,000,000 ounces to various other countries.

Legislative Developments: The question regarding the sale of the U.S. Strategic Stockpile of silver has been under consideration since 1973. The administration is now authorized under two separate pieces of legislation to dispose of stockpile silver in coin form. During 1987, about 2,600,000 ounces of stockpile silver was used for the Liberty coin program. In addition, the Mint has used about 10,400,000 ounces of silver for the American Eagle bullion coins. Therefore, it appears that the demand from the coinage

programs will be sufficient to reduce the stockpile to targeted levels, and as a result, direct sales of the stockpile silver to industry appear to be unlikely in the near future.

REVIEW OF OTHER MARKETS

World consumption of silver during 1987 for industrial and coinage uses combined, excluding Communist-dominated areas, increased to an estimated 415,700,000 ounces, a 2.2% increase over our revised 1986 figure of 406,700,000 ounces. Industrial consumption increased 1% from the previous year to 384,600,000 ounces. The largest increases were recorded in Japan, West Germany, and France. Coinage consumption of 31,100,000 ounces increased 20% over the 1986 revised total of 26,000,000 ounces. The success of the American Eagle Bullion Coin is the principal reason for this increase.

World mine production of silver, excluding Communist-dominated areas, amounted to 333,900,000 ounces during 1987, a 3.8% increase from our revised 1986 figure of 321,600,000 ounces. Mexico, the world's leading producer of silver, increased its output 7% in 1987 to 68,100,000 ounces. Production from Peru was 64,500,000 ounces in 1987, compared to 61,900,000 ounces in 1986. Mine production in the United States increased 9% to 37,300,000 ounces. Canadian production of 41,800,000 ounces was 7% higher than the 39,200,000 ounces for 1986. Australian mine production amounted to 32,000,000 ounces, approximately the same as the 1986 quantity.

Silver supplied by the United States Government for coinage programs amounted to 13,200,000 ounces in 1987, compared to 7,400,000 ounces in 1986. Supplies of silver from secondary sources such as old scrap, demonetized coin, and India amounted to 89,200,000 ounces during 1987, a 16% increase over the comparable 1986 amount of 77,100,000 ounces.

United Kingdom: Consumption of silver for industrial uses in the United Kingdom increased slightly during 1987 to an estimated 21,500,000 ounces, a 5% increase over the 1986 total of 20,500,000 ounces. There was no silver used for coinage during 1987 or the previous year. The recovery of silver from old scrap was about 10,000,000 ounces in 1987, approximately the same as the previous year.

Imports of silver bullion are estimated at 28,000,000 ounces for 1987, a decrease of 42% from the revised total of 48,000,000 ounces in 1986. During 1987, the United States supplied approximately 7,700,000 ounces, an increase over the previous year's amount of 5,600,000 ounces. Elsewhere in Europe, imports have generally declined, indicating that stocks have probably decreased slightly. The exception is Switzerland, where net imports rose considerably to over 20,000,000 ounces.

Exports of silver bullion for 1987 amounted to 42,000,000 ounces. This represents a decrease of approximately 18% from the revised 1986 level of 51,000,000 ounces. During 1987, the United States received approximately 1,000,000 ounces; Switzerland received 24,000,000 ounces; West Germany, 10,500,000 ounces; and all other countries totaled 6,500,000 ounces.

The daily quotation for prompt delivery issued by the London Silver Market ranged from a high of 653.60 pence, reached on April 27, to a low of 344.40 pence, established on March 23, 1987. In U.S. dollar terms, the high was $10.93 on April 27 and the low was $5.36 on January 7, 1987. These prices were based on sterling exchange rates in effect at the time.

West Germany: Industrial consumption of silver in West Germany during 1987 amounted to 40,500,000 ounces. This represents a 10% increase over the 1986 amount of 36,900,000 ounces. The authorities have confirmed that in 1987 about 5,100,000 ounces of

silver was used for coinage. Domestic mine production for 1987 amounted to 600,000 ounces and smelter production from foreign ores amounted to 16,400,000 ounces, an increase of 2,700,000 ounces from 1986. In 1987, the quantity of silver recovered from old scrap both domestic and from abroad was about 15,700,000 ounces. Stocks of silver increased by about 3,200,000 ounces during 1987.

Imports, excluding foreign ores, totaled nearly 37,500,000 ounces. Approximately 9,000,000 ounces came from the United Kingdom; 4,100,000 ounces from Sweden; 3,800,000 ounces from Belgium; and the balance of 20,600,000 ounces from various other countries.

Exports amounted to an estimated 21,400,000 ounces of which 4,000,000 ounces were shipped to Austria; 2,700,000 ounces to Switzerland, and 1,600,000 ounces to Italy, and the balance of 13,100,000 ounces to various other countries.

The following is a summary of silver statistics for West Germany:

	(millions of ounces)		
	1987	**1986**	**Change**
Production—domestic ore	.6	1.3	(.7)
Production—foreign ore	16.4	19.1	(2.7)
Recovered from Scrap	15.7	3.2	12.5
Imports	37.5	36.2	1.3
Available supply	70.2	59.8	10.4
Exports	21.4	19.7	1.7
Stock increase	3.2	3.2	—
	24.6	22.9	1.7
Available for consumption	45.6	36.9	8.7
Used for coinage	5.1	—	5.1
Used by industry	40.5	36.9	3.6

France: Consumption of silver for industrial uses in France during 1987 amounted to about 19,600,000 ounces, approximately 20% higher than the previous year. During 1987, 2,000,000 ounces of silver was used for coinage. Primary production amounted to 10,000,000 ounces, an increase of 2,300,000 ounces over 1986. Silver produced from old scrap amounted to 4,500,000 ounces in 1987, compared to 4,000,000 ounces in 1986. Government stocks of about 2,900,000 ounces were virtually unchanged from the previous year.

Imports of silver into France during 1987 were about 16,700,000 ounces, a decrease of approximately 2,200,000 ounces from our revised 1986 amount. The principal countries from which silver arrived were the United States, 4,800,000 ounces; United Kingdom, 2,000,000 ounces; Mexico, 1,000,000 ounces; and 8,900,000 ounces from various other countries.

Exports totaling 15,300,000 ounces were 3,000,000 ounces lower than the previous year. The principal countries to which silver was exported were the United Kingdom, 6,100,000 ounces; Switzerland, 5,500,000; Germany, 1,000,000 ounces; and various other countries, the balance of 2,700,000 ounces.

Canada: Production of silver in Canada during 1987 amounted to 41,800,000 ounces. This is up 2,600,000 ounces from the previous year due to increased production of base metal operations and also because of new silver mining capacity started-up during the year. Silver consumed for industrial uses amounted to an estimated 10,400,000 ounces, an 8% increase over the previous year. Coinage consumption was 3,200,000 ounces in 1987, compared to 2,000,000 ounces the previous year for the Olympic Coin program, which began in late 1986 and will end in

early 1988. The Mint will also use about 5,300,000 ounces for its commemorative silver U.S. dollar program.

Imports of silver into Canada during 1987 were 4,000,000 ounces, of which 3,500,000 ounces came from the United States.

Exports for 1987 are estimated at 38,500,000 ounces, down substantially from the 47,000,000 ounces the previous year. The United States received 22,000,000 ounces in 1987, and various other countries the balance of 16,500,000 ounces.

Mexico: Mexico continues to be the world's leading producer of silver. Silver production during 1987 was 68,100,000 ounces, an increase of 7% from our revised figure of 63,800,000 ounces for 1986. Industrial consumption in Mexico amounted to about 4,400,000 ounces, a decrease of 10% from the 1986 level of 4,900,000 ounces. During 1987, Mexico minted 500,000 ounces of silver coins. Government stocks at year-end amounted to approximately 37,700,000 ounces, an increase of 5,600,000 ounces during the year. Banco De Mexico purchased 10,400,000 ounces from refineries during 1987, compared to 11,000,000 ounces in 1986.

Mexico exported 50,100,000 ounces of silver during 1987. Approximately 37,200,000 ounces were shipped to the United States. Japan received 9,400,000 ounces, and the balance of 3,500,000 ounces was shipped to Europe.

Japan: We estimate that industrial consumption in Japan was about 86,800,000 ounces during 1987, which represents a 3% increase from our revised 84,700,000 ounces used in 1986. In the following table we have broken down our estimates of major categories of use for 1987 and 1986:

	1987		1986	
	Ounces (millions)	% of Total	Ounces (millions)	% of Total
Photography	48.8	56.2	47.0	55.5
Nitrates	7.7	8.9	7.5	8.9
Contacts	6.5	7.5	6.9	8.1
Solder & Brazing	3.6	4.1	3.7	4.4
Plating	3.9	4.5	3.2	3.8
Tube, Sheet, Bar & Wire	5.4	6.2	4.0	4.7
Silverware	2.2	2.5	1.7	2.0
Other	8.7	10.1	10.6	12.6
Total	86.8	100.0	84.6	100.0

Domestic mines in Japan produced 9,500,000 ounces of silver in 1987, compared to 10,900,000 ounces in 1986. In addition, 15,800,000 ounces of silver were recovered from old scrap during 1987, approximately the same as the 1986 amount. Industry stocks are estimated to be 20,600,000 ounces at December 31, 1987, a decrease of 2,300,000 ounces during the year.

Imports for the year, in refined and unrefined forms, are estimated at 51,900,000 ounces, an increase of 21% from the revised total of 43,000,000 ounces in 1986. The largest amount came from overseas mines which accounted for 32,600,000 ounces in 1987, up 3,800,000 ounces over the revised 1986 total. Other sources were Mexico, 9,400,000 ounces; United States, 5,600,000 ounces; and the balance of 4,300,000 ounces from all other countries.

Exports of silver during 1987 amounted to only 400,000 ounces, a decrease of 200,000 ounces from the 1986 shipments.

Government stocks are estimated to be nearly 2,000,000 ounces at the end of 1987, which is about the same as the amount held at the close of the previous year.

India: Silver is not produced in India and whatever silver is exported or used by industry comes out of stocks which were accumulated through the centuries. Consumption of silver for industrial purposes in India amounted to 16,100,000 ounces in 1987, approximately the same as the previous year. Investment demand was 9,600,000 ounces in 1987, compared to 6,400,000 ounces in 1986. For many years substantial quantities of silver have been exported, but progressively since 1983, the supply has been lower. This can be attributed to better living conditions as well as lower prices of silver in relation to gold. No exports of silver were reported for 1987 or 1986. It is estimated that 4,800,000 ounces of silver was imported in 1987. It is not possible to verify the internal hoards of silver in India, but by all reports they are enormous and will continue to be an important factor to the silver market in the future.

Government stocks are reported to be 67,500,000 ounces at the end of 1987, which reflects no change during the year.

SUMMARY OF WORLD STOCKS

A study, prepared by Economic Consulting Services, Inc. for the Bureau of Mines, stated that U.S. silver holdings of silverware, coins and bullion probably exceed 2.5 billion ounces. It is believed that while all of this material could be a potential supply source, factors such as price and form will determine the rate at which this material will be available to the market. Silver held in coins has proven to be highly price-elastic, but the elasticity of the balance of this supply is considered to be quite low.

The table on page 19 summarizes on a world-wide basis, excluding India and Communist countries, reported and unreported stocks of silver both in bullion and coin. In some cases, figures are available from published reports, both governmental and private. In the case of "Stocks of foreign governments", only partial information is available. "Conjectural stocks" were deter-

mined by reference to the Bureau of Mines study referred to above and information obtained from private sources.

It is estimated that world stocks of silver totaled approximately 2,284,900,000 ounces at December 31, 1987, an increase of 18,300,000 ounces during the year. Reported private stocks increased 1,900,000 ounces; conjectural stocks, principally unreported bullion in the United States and abroad, increased 24,000,000 ounces; foreign government stocks increased 5,600,000 ounces; and U.S. Government stocks decreased 13,200,000 ounces.

World Stocks of Silver

(Excluding India and Communist-dominated areas.)
(millions of ounces)

	1987	1986	Increase (Decrease)
Reported private stocks:			
New York Commodity Exchange	156.3	145.4	10.9
Chicago Board of Trade	13.5	16.7	(3.2)
London Metal Exchange	19.9	23.1	(3.2)
Industry stocks in U.S.	13.7	16.3	(2.6)
Total	203.4	201.5	1.9
U.S. Government stocks:			
U.S. Strategic Stockpile	113.3	133.0	(19.7)
U.S. Treasury (Mint)	40.3	33.8	6.5
Total	153.6	166.8	(13.2)
Stocks of foreign governments: (estimated)	162.6	157.0	5.6
Conjectural stocks:			
Unreported bullion stocks in the U.S. and abroad	870.3	857.3	13.0
U.S. Silver coins potentially available	855.0	851.0	4.0
Foreign silver coins potentially available	40.0	33.0	7.0
Total	1,765.3	1,741.3	24.0
Total World Silver Stocks	2,284.9	2,266.6	18.3

THE OUTLOOK:

We have continually emphasized that there will not be a shortage of silver for future industrial uses, and this has been confirmed by events. The question will be entirely one of price. The silver market has demonstrated that supplies from secondary sources and India will diminish at lower prices and increase with higher prices. Therefore, available supplies can readily accommodate any improvement in industrial demand. The fundamental political, economic and monetary uncertainties which create excessive speculation have not been corrected. Therefore, it seems probable that the market will continue to be dominated by speculator and investor activity.

There may well be some moderation in worldwide inflation, but there is little evidence that it will be brought under control. Also, the widespread lack of confidence in world currencies and international monetary uncertainty will probably continue and may well intensify in 1988. These conditions usually create flights from currencies in general, primarily into gold, but also very importantly into silver. However, there is no way of anticipating how the market is going to react to any particular situation.

STATISTICAL TABLES

World Silver Consumption

(Excluding Communist-dominated areas.)

(millions of ounces)

	1987	1986	1985	1984	1983
Industrial uses:					
United States	115.3	118.9	118.6	114.8	116.3
Canada	10.4	9.6	9.1	9.0	8.9
Mexico	4.4	4.9	5.1	3.5	2.2
United Kingdom	21.5	20.5	19.0	19.0	18.0
France	19.6	16.4	18.0	17.0	18.6
West Germany	40.5	36.9	31.7	30.1	30.3
Italy	10.0	14.5	4.6	11.6	9.0
Japan	86.8	84.7	75.3	78.7	71.5
India	16.1	16.1	20.9	16.1	12.9
Other countries	60.0	58.2	54.9	53.5	53.0
Total industrial uses	384.6	380.7	357.2	353.3	340.7
Coinage:					
United States	13.2(a)	7.4(a)	4.4(a)	3.4(a)	11.2(a)
Canada	3.2	2.0	.3	.3	.4
Austria	2.0	1.0	—	—	2.0
Mexico	.5	1.7	3.0	2.0	—
Other countries	12.2	13.9	5.0	3.0	4.6
Total coinage	31.1	26.0	12.7	8.7	18.2
Total Consumption	415.7	406.7	369.9	362.0	358.9

NOTE: Figures for 1987 are preliminary. Some of the figures for 1983 through 1986 as published in last year's Review have been revised.

(a) Includes silver used in minting the George Washington Commemorative Coin, the Olympic Coin, the American Eagle coin and Statue of Liberty coin.

World Silver Supplies

(Excluding Communist-dominated areas.)
(millions of ounces)

	1987	1986	1985	1984	1983
New Production					
Western Hemisphere:					
United States	37.3	34.2	39.4	44.4	43.4
Canada	41.8	39.2	38.9	42.6	35.5
Mexico	68.1	63.8	69.2	63.9	63.6
Peru	64.5	61.9	60.4	56.5	55.9
Chile	16.2	16.1	16.6	15.8	15.1
Other countries	12.5	12.0	10.9	11.1	13.0
Total	240.4	227.2	235.4	234.3	226.5
Outside the Western Hemisphere:					
Australia	32.0	32.4	35.0	31.2	33.2
Other countries	61.5	62.0	61.2	58.9	55.2
Total	93.5	94.4	96.2	90.1	88.4
Total New Production	333.9	321.6	331.6	324.4	314.9
Secondary Sources of Supply					
From U.S. Government	13.2	7.4	4.4	3.0	11.8
From stocks of foreign governments	(5.6)	(2.0)	(5.0)	—	3.0
From demonetized coin	2.0	1.0	3.0	4.0	8.0
From Indian stocks	11.3	11.1	20.9	22.5	32.2
Net imports (or exports) to Communist Countries	(2.0)	(5.5)	3.2	(19.3)	(19.3)
Old scrap and other misc. sources	75.9	65.0	72.2	75.1	84.1
Liquidation of (additions to) private bullion stocks	(13.0)	8.1	(60.4)	(47.7)	(75.8)
Total other supplies	81.8	85.1	38.3	37.6	44.0
Available for world consumption	415.7	406.7	369.9	362.0	358.9

NOTE: Figures for 1987 are preliminary. Some of the figures for 1983 through 1986 as published in last year's Review have been revised.

United States Industrial Consumption of Silver by End Use

(millions of ounces)

	1987	1986	1985	1984	1983
Electroplated ware	2.5	3.7	3.7	3.5	3.2
Sterling ware	3.8	3.9	3.5	3.6	7.0
Jewelry	4.2	4.6	5.8	5.8	6.9
Photographic materials	60.2	55.5	57.9	55.3	51.8
Dental and medical supplies	1.3	1.5	1.5	1.5	1.5
Mirrors	1.0	1.0	1.0	1.0	1.0
Brazing alloys and solders	5.6	6.4	5.6	5.9	5.8
Electrical and electronic products:					
Batteries	2.5	3.7	2.5	2.7	2.6
Contacts and conductors	22.7	27.4	27.5	25.6	26.3
Bearings	.3	.4	.2	.3	.2
Catalysts	2.5	2.3	2.4	2.4	2.4
Coins, medallions and commemorative objects	4.2	4.0	2.5	2.6	3.0
Miscellaneous	4.5	4.5	4.5	4.6	4.6
Total Industrial Consumption	115.3	118.9	118.6	114.8	116.3

NOTE: Based on data from Mineral Industry Surveys for gold and silver published by Bureau of Mines, United States Department of the Interior. Figures for 1987 are preliminary. Some of the figures for 1983 through 1986 as published in last year's Review have been revised.

Imports of Silver into the United States

(millions of ounces)

	1987	1986	1985	1984	1983
Imported from:					
Canada	20.6	46.9	45.9	36.7	35.9
Mexico	42.5	48.0	41.6	40.3	30.3
Peru	7.2	10.1	12.1	23.2	23.9
Other Western Hemisphere Countries	6.5	9.2	9.5	10.1	4.3
Total Western Hemisphere	76.8	114.2	109.1	110.3	94.4
United Kingdom	.1	11.8	19.7	.8	62.6
All Other Countries	4.9	18.9	23.8	3.9	22.9
Total Imports	81.8	144.9	152.6	115.0	179.9

NOTE: Figures for 1987 are preliminary. Some of the figures for 1983 through 1986 as published in last year's Review have been revised.

Exports of Silver from the United States

(millions of ounces)

	1987	1986	1985	1984	1983
Exported to:					
Canada	3.3	2.6	8.7	8.6	9.2
United Kingdom	7.7	5.6	1.6	2.2	10.2
Japan	5.6	4.6	3.8	4.4	4.5
West Germany	.8	.6	.5	1.3	2.7
All Other Countries	9.7	11.7	10.2	7.9	5.4
Total Exports	27.1	25.1	24.8	24.4	32.0

NOTE: Figures for 1987 are preliminary. Some of the figures for 1983 through 1986 as published in last year's Review have been revised.

Silver Quotations

	NEW YORK (Handy & Harman)			LONDON (Daily Fixing)		
	High	Low	Average	High	Low	Average
1987...	1020.000¢	536.000¢	700.881¢	653.600p	344.400p	428.283p
1986...	619.500	487.000	546.995	452.100	317.700	373.030
1985...	673.500	557.000	614.218	576.900	401.100	477.560
1984...	1003.500	626.000	814.066	679.700	529.100	607.056
1983...	1474.500	834.000	1144.128	948.650	560.250	753.437
1982...	1121.000	488.500	794.728	685.150	285.100	455.258
1981...	1645.000	795.000	1051.837	671.200	412.800	515.234
1980...	4800.000	1080.000	2063.157	2165.050	467.800	900.662
1979...	2800.000	596.100	1109.378	1446.850	296.400	508.561
1978...	629.600	482.900	540.089	311.200	250.000	282.203